NATIONAL DAIRY MARKET AT A GLANCE

CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (11/10):
BUTTER: Grade AA closed at $1.7950. The weekly average for Grade AA is $1.5808 (+.3841).
CHEESE: Barrels closed at $1.0200 and blocks at $1.0600. The weekly average for barrels is $1.0040 (+.0035) and blocks, $1.0080 (N.C.).
NONFAT DRY MILK: Extra Grade and Grade A closed at $1.0300. The weekly average for Extra Grade is $1.0300 (N.C.) and Grade A, $1.0300 (N.C.).

BUTTER: Butter markets are firm, especially following the spike in the CME cash price after midweek. Churning activity is lighter. In most instances, butter manufacturers are looking for more cream and they are having only limited success. Current cream offerings are being absorbed by other cream based holiday items such as bottled cream, cream cheese, and sour cream. Stocks of butter continue to decline. Fresh butter demand continues to surpass current production, thus inventories are being used to fill orders. Butter demand is seasonally strong. Butter handlers report that scheduled retail feature activity will be active during the upcoming holiday period, thus large volumes of butter are anticipated to be needed.

CHEESE: The cheese market is unsettled. For much of the week, barrels and blocks on the Chicago Mercantile Exchange cash cheese market were both below the CCC purchase price for NDM and cheese. Current natural cheese movement generally remains good as holiday orders work through distribution channels. A few processors were filling in extra line time with process production for offering to CCC. Natural and process continues to be packaged and graded for sale to CCC. During the week of November 6 - 10, CCC purchased 356,400 pounds of Midwestern process. Cumulative estimated cheddar cheese output during the first 9 months of 2000 (adjusted for leap day) totals 2.197 billion pounds, up 73.5 million pounds (3.5%) from the same period in 1999. Cumulative total cheese output totals 6.190 billion pounds, up 312 million pounds (5.3%).

FLUID MILK: Milk supplies are tight. Colder temperatures are affecting output with areas in the Midwest and Northeast reporting near annual lows in milk production. Class I demand is steady to slightly improved as features and holiday items such as egg nog appear on store shelves. Condensed skim demand is good with suppliers often unable to satisfy the demand. Manufacturing demand for milk is spotty although generally good. A sharp increase in the CME AA butter price (+51.25 cents on 11/8) is expected to increase cream prices and affect the mix of products made. The fluid cream market is presently firm and supplies are tight. Ice cream makers are showing a decreased interest in cream due to the competitive market and higher prices. Cream interest from butter makers is increasing on light to moderate churning schedules.

DRY PRODUCTS: Prices are trending unchanged to higher on dry products. Supplies of NDM in the East are tight, encouraging imports from the West and parts of the Midwest. Movement into the CCC is steady in the Midwest and West as production increases in response to depressed cheese prices. Buttermilk markets are unchanged. Good condensed demand and less than anticipated supplies are deterring spot movement. Whey prices are trending higher due to increases in demand and lighter production schedules. Range prices for lactose and WPC edged slightly higher. Markets are unchanged with some supply decreases noted due to the recent declines in cheese and whey solids production. The undertone on dry products markets is unsettled as the impact from holiday milk and seasonal milk supply increases is yet to be realized.

CCC: During the week of November 6 - 10, CCC net purchases totaled 8,409,444 pounds of nonfortified NDM with 8,330,056 pounds from the West and 343,916 pounds from the Midwest. Fortified purchases of 264,528 pounds were sourced from the West. Net purchases of process cheese totaled 356,400 pounds from the Midwest.

SEPTEMBER DAIRY PRODUCTS HIGHLIGHTS (NASS): Butter production was 91.5 million pounds in September, 0.6% below September 1999 but 7.0% above August 2000. American type cheese production totaled 288.1 million pounds, 2.5% above September 1999 but 4.5% below August 2000. Total cheese output (excluding cottage cheese) was 656.9 million pounds, 2.4% above September 1999 but 4.3% below August 2000. Nonfat dry milk production, for human food, totaled 96.8 million pounds, 1.4% above September 1999 but 7.3% below August 2000. Dry whey production, for human food, was 81.2 million pounds, 4.2% below September 1999 and 9.6% below August 2000.

****SPECIALS THIS ISSUE****

CHICAGO MERCANTILE EXCHANGE
CASH TRADING

CHEESE: carload = 40,000-44,000 lbs., NONFAT DRY MILK: carlot = 42,000-45,000 lbs., BUTTER: carlot = 40,000-43,000 lbs.

PRODUCT	MONDAY NOVEMBER 6	TUESDAY NOVEMBER 7	WEDNESDAY NOVEMBER 8	THURSDAY NOVEMBER 9	FRIDAY NOVEMBER 10	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	$1.0000 (N.C.)	$1.0000 (N.C.)	$1.0000 (N.C.)	$1.0000 (N.C.)	$1.0200 (+.0200)	+.0200	$1.0040 (+.0035)
40# BLOCKS	$.9800 (N.C.)	$.9800 (N.C.)	$.9800 (N.C.)	$1.0400 (+.0600)	$1.0600 (+.0200)	+.0800	$1.0080 (N.C.)
NONFAT DRY MILK							
EXTRA GRADE	$1.0300 (N.C.)	$1.0300 (N.C.)	$1.0300 (N.C.)	$1.0300 (N.C.)	$1.0300 (N.C.)	N.C.	$1.0300 (N.C.)
GRADE A	$1.0300 (N.C.)	$1.0300 (N.C.)	$1.0300 (N.C.)	$1.0300 (N.C.)	$1.0300 (N.C.)	N.C.	$1.0300 (N.C.)
BUTTER							
GRADE AA	$1.2175 (-.0050)	-----	$1.7300 (+.5125)	-----	$1.7950 (+.0650)	+.5725	$1.5808 (+.3841)

*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week. Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/MARKETNEWS.HTM

CHICAGO MERCANTILE EXCHANGE

MONDAY, NOVEMBER 6, 2000

CHEESE -- SALES: 2 CARS BARRELS: 1 @ $1.0025, 1 @ $1.0000; 7 CARS 40# BLOCKS: 2 @ $0.9900, 1 @ $1.0000, 1 @ $1.0100, 2 @ $0.9900, 1 @ $0.9800; BIDS UNFILLED: 1 CAR BARRELS @ $1.0000; 1 CAR 40# BLOCKS @ $0.9800; OFFERS UNCOVERED: 5 CARS 40# BLOCKS: 1 @ $0.9850, 1 @ $0.9900, 1 @ $1.0000, 1 @ $1.0100, 1 @ $1.0200

NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

BUTTER -- SALES: 2 CARS: 1 @ $1.2200, 1 @ $1.2175; BIDS UNFILLED: 1 CAR @ $1.2100; OFFERS UNCOVERED: 3 CARS: 1 @ $1.2500, 2 @ $1.2600

TUESDAY, NOVEMBER 7, 2000

CHEESE -- SALES: 2 CARS 40# BLOCKS: 1 @ $0.9900, 1 @ $0.9800; BIDS UNFILLED: 1 CAR BARRELS @ $1.0000; 1 CAR 40# BLOCKS @ $0.9800; OFFERS UNCOVERED: 3 CARS 40# BLOCKS: 1 @ $0.9850, 1 @ $0.9900, 1 @ $1.0000

NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

WEDNESDAY, NOVEMBER 8, 2000

CHEESE -- SALES: NONE; BIDS UNFILLED: 1 CAR BARRELS @ $1.0000; OFFERS UNCOVERED: 3 CARS 40# BLOCKS: 1 @ $1.0100, 1 @ $1.0200, 1 @ $1.0300

NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

BUTTER -- SALES: 7 CARS: 1 @ $1.2500, 1 @ $1.3100, 1 @ $1.4200, 2 @ $1.6675, 2 @ $1.7300; BIDS UNFILLED: 6 CARS: 1 @ $1.7300, 2 @ $1.7200, 1 @ $1.6775, 2 @ $1.6700; OFFERS UNCOVERED: NONE

THURSDAY, NOVEMBER 9, 2000

CHEESE -- SALES: 6 CARS 40# BLOCKS: 1 @ $1.0100, 1 @ $1.0150, 1 @ $1.0200, 1 @ $1.0250, 1 @ $1.0300, 1 @ $1.0400; BIDS UNFILLED: 1 CAR BARRELS @ $1.0000; 2 CARS 40# BLOCKS: 1 @ $1.0000, 1 @ $0.9800; OFFERS UNCOVERED: NONE

NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

FRIDAY, NOVEMBER 10, 2000

CHEESE -- SALES: NONE; BIDS UNFILLED: 2 CARS BARRELS: 1 @ $1.0200, 1 @ $1.0000; 2 CARS 40# BLOCKS: 1 @ $1.0600, 1 @ $1.0000; OFFERS UNCOVERED: 3 CARS BARRELS: 1 @ $1.0400, 1 @ $1.0450, 1 @ $1.0500; 3 CARS 40# BLOCKS: 1 @ $1.0800, 1 @ $1.0850, 1 @ $1.0900

NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

BUTTER -- SALES: 3 CARS: 1 @ $1.7300, 2 @ $1.7450; BIDS UNFILLED: 3 CARS: 1 @ $1.7950, 2 @ $1.7500; OFFERS UNCOVERED: NONE

BUTTER MARKETS

SEPTEMBER BUTTER PRODUCTION

During September 2000, butter production in the United States totaled 91.5 million pounds, 0.6% less than September 1999, but 7.0% more than August 2000. Following are percentage changes from September 1999 for various states: CA +6.4%, MN -4.0, NY -30.2%, PA +10.9%, WA -15.7%, and WI -4.6%.

NORTHEAST

The market tone is firmer. The bulk butter price at the CME, after moving higher each trading session last week, moved fractionally lower on Monday (11/6). Most Eastern cream suppliers reported tight supplies and less excess clearing to regional and Midwest churns. They did note that butter makers were calling, looking for more cream. Consequently, fresh butter stocks are tight, but frozen stocks are more than ample to meet current demand. Microfixing is commonplace. Some Western butter continues to be purchased to supplement local output. Retail and food service sales are mostly steady. Sales of bulk butter, f.o.b. East, are reported in a range of 2.5 - 6 cents over the CME price/average. During September, butter output in the North Atlantic region totaled 14.15 million pounds, 10% more than Sept 1999.

CENTRAL

Butter markets and prices are firm. Many producers and handlers were quite surprised at the sharp (51.25 cent) cash price increase recorded at the Chicago Mercantile at mid-week. They state that current demand continues to surpass fresh butter production, thus inventoried stocks are being used to fill orders. Butter inventories are reported to be declining on a weekly basis. Some producers and handlers feel that current production patterns and declining inventories will be sufficient to fill year end needs, while others are not as optimistic. For the most part, Thanksgiving orders have been filled and shipped, with some last minute "fill-in" orders expected. Churning schedules have slowed. Cream supplies for churning have tightened. Current cream offerings are being absorbed by other cream based holiday items such as bottled cream, sour cream, and cream cheese production. Midwestern buyers that are looking for additional bulk butter are paying, when available, 3 - 5 cents a pound above various pricing bases.

WEST

Demand for print butter for year end holidays is increasing. Sellers are scrambling to get enough butter into channels to meet needs. Feature activity appears that it will be excellent related to the holiday season. Bulk also continues to move well across the country. Butter manufacturing plants are looking for more cream and they are having only limited success. Cumulative output for the year is 3.1% ahead of last year. September production in the Northeast was ahead of a year ago, but output in the central U.S. and West is below a year ago. Some contacts are surprised that September output is less than a year ago because they thought the very low cheese prices would tend to push milk into butter/powder. CME weekly butter stocks declined 7.1 million pounds this past week. Stocks now stand at 29.1 million pounds, 7.6% less than last year at this time. This is the second consecutive week that stocks this year have trailed last year after being ahead since the June peak of more than 100 million pounds. Stocks in the last 10 weeks have declined 44.0 million pounds, compared to only 31.3 million pounds over the same period last year. Current prices for bulk butter range from 4 1/2 cents under to flat market based on the CME with various time frames and averages involved.

NASS DAIRY PRODUCT PRICES

U.S. AVERAGE AND TOTAL POUNDS

WEEK ENDING	CHEESE 40# BLOCKS	CHEESE BARRELS 39% MOISTURE	NDM	BUTTER	DRY WHEY
NOVEMBER 4	1.0307 6,496,786	0.9909 6,439,689	1.0143 14,065,175	1.1426 4,155,495	0.1880 9,133,213

Further data and revisions may be found on the internet at: http://jan.mannlib.cornell.edu/reports/nassr/price/dairy

CHEESE MARKETS

NORTHEAST

Prices are unchanged to lower and the market tone remains weak. With CME prices at 22-year lows, local producers are trying to limit their output unless milk prices reflect current-month estimates. Even then, most are reluctant to put up too much cheese. Cheddar is going into aging programs as most producers do not feel the prices will drop much further. Mozzarella sales are reported as good. This product does have the capability to be frozen and stored. At current prices, this is a more attractive possibility to some users. Surplus milk volumes are still rather tight and most cheese makers are operating 5-6 days a week. Thanksgiving demand is fair at retail, but food service orders are improved. Also, post-Thanksgiving orders from restaurants are improving. Total cheese output during September in the North Atlantic region was 98.6 million pounds, up 0.4% from September 1999.

WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.0475-1.5150
Cheddar Single Daisies	:	1.0050-1.4650
Cheddar 40# Block	:	1.1475-1.3250
Process 5# Loaf	:	1.2100-1.3850
Process 5# Sliced	:	1.2300-1.4875
Muenster	:	1.2075-1.4150
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

MIDWEST

The cheese market is weak. Shipments for Thanksgiving holiday sales should be moving through distribution channels. Current cash prices at the Chicago Mercantile Exchange continue well below CCC support prices and likely exceed the cost of sales to CCC. Some traders, mainly producers, are wondering why prices on the Chicago Mercantile Exchange are and have been so far below the government support price. The CME block price, at $0.98 per pound, is the lowest since January 1978. A number of producers are trying to set a higher minimum base price for cheese, from $1.00 - $1.09 to upwards of $1.12, for varieties based on the block market. However, buyers are resisting these attempts. Reports of more vats/loads produced and graded for CCC sales are occurring but sales have not been made through November 7, as sellers wait for the necessary lab results. Cutting activity remains good with some overtime needed. Commercial process sales leave some production lines with the opportunity to make process for sale to CCC. Offerings remain ample for current needs except for mozzarella and Swiss which are tight to adequate. Muenster movement remains fairly good. Cheese yields are improving seasonally along with higher fat and protein tests on incoming milk receipts. Attempts continue to minimize cheese production in favor of other uses for milk.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.2000-1.5000
Brick And/Or Muenster 5#	:	1.4700-1.5625
Cheddar 40# Block	:	1.3725-2.1150
Monterey Jack 10#	:	1.5900-2.1150
Blue 5#	:	1.7075-2.0900
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.4375-2.2150
Grade A Swiss Cuts 6 - 9#	:	2.0000-2.6850

MIDWEST COMMODITY CHEDDAR

Dollars per pound, standard moisture basis (37.8-39.0%),
carlot/trucklot, F.O.B. plants or storage centers.

CHEDDAR STYLES	:	NOVEMBER 6 - 10, 2000
BARRELS*	:	$1.0000 - 1.0150 (NOMINAL)
	:	
40# BLOCKS	:	$.9800 - 1.0500 (NOMINAL)
	:	(-$.0400) (-.0250)

( ) Change from previous week. * If steel, barrel returned.

WEST

According to the USDA survey, U.S. cheese output in September was below the last few months for most styles and varieties. Most contacts assumed that this would be the case. September American cheese production in selected Western states compared to last year is as follows: California up 13.0%, Idaho up 5.2%, Oregon up 0.5%, Utah up 4.2%, and Washington up 10.5%. Overall, the Western region is up 12.2%. Swiss cheese production in September for the U.S. totals 17.5 million pounds, down 1.4% from last year. Demand for cheese is often rated as quiet. Buyers don't see much reason to purchase much cheese ahead. The downside risk is assumed to be minimal. Contacts remain curious about why no cheese has been offered to the government as of November 7. Anecdotally, the response continues to be that it just takes a lot of time. Processing solids being sold at a discount are finding some good buyer interest. Current block sales are often rated as slow. Swiss packaged sales are strong with bulk sales not quite as good. Mozzarella offerings are not sufficient for current levels of demand.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.1525-1.4125
Cheddar 40# Block	:	1.1325-1.2725
Cheddar 10# Cuts	:	1.3125-1.5325
Monterey Jack 10#	:	1.3225-1.4825
Grade A Swiss Cuts 6 - 9#	:	2.3000-2.5400

FOREIGN

Prices are unchanged to lower on domestic styles, unchanged on imported. The market tone is mostly steady, but as the holidays approach, orders are starting to pick up for table cheeses and other types used in cooking/ restaurants. Supplies are adequate to meet current needs.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

	:	NEW YORK		
VARIETY	:	IMPORTED	:	DOMESTIC
Roquefort	:	TFEWR	:	-0-
Blue	:	2.6400-3.1400	:	1.3500-2.8450*
Gorgonzola	:	3.2400-5.9400	:	1.9000-2.4900*
Parmesan (Italy)	:	TFEWR	:	2.7650-2.7900*
Romano (Italy)	:	2.1000-2.5400	:	-0-
Provolone (Italy)	:	3.4400-5.5000	:	1.3575-1.6350*
Romano (Cows Milk)	:	-0-	:	2.5400-4.7150*
Sardo Romano (Argentine)	:	2.6500-3.2900	:	-0-
Reggianito (Argentine)	:	2.6500-3.2900	:	-0-
Jarlsberg-(Brand)	:	2.7400-3.3100	:	-0-
Swiss Cuts Switzerland	:	-0-	:	2.3500-2.5500
Swiss Cuts Finnish	:	2.5900-2.8500	:	-0-
Swiss Cuts Austrian	:	2.2500-2.7500	:	-0-
Edam	:		:	
2 Pound	:	TFEWR	:	-0-
4 Pound	:	2.1900-3.0900	:	-0-
Gouda, Large	:	2.3900-3.1500	:	-0-

* = Price change.

WEEKLY COLD STORAGE HOLDINGS-SELECTED STORAGE CENTERS IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER	:	CHEESE
11/06/00	11,977	:	129,189
11/01/00	14,196	:	134,459
CHANGE	-2,219	:	-5,270
% CHANGE	-16	:	-4

Based on the historical relationship of the preliminary U.S. Cold Storage report of September 30 and the selected centers storage report, the expected U.S. holdings as of November 1 are:

Butter 67 million pounds plus or minus 5.23 percent
Cheese 526 million pounds plus or minus 3.32 percent

FLUID MILK AND CREAM

EAST

The following are the October 2000 Class and component prices under the Federal Milk Order pricing system: Class II $12.54 (down $.04 from September), Class III $10.02 (down $0.74); and Class IV $11.81 (down $.13). Product price averages used in computing Class prices are: butter $1.1344, NDM $1.0127, cheese $1.1602, and dry whey $.1826. The Class II butterfat price is $1.2514 and the Class III/IV butterfat price is $1.2444. For informational purposes, the October 1999 BFP (Class III) was $11.49. This week, all contacts are commenting on how tight fluid milk supplies are. Most suppliers are having difficulty meeting regular commitments and are having to scramble to find milk or other fluid products to fill orders. Premiums around the $2.00 per cwt. are being asked and received for any spot milk sales, depending on locale. The tight milk supply is endemic to the entire region. Southeastern handlers are unable to get desired volumes from regular sources and are having to reach farther to obtain some extra milk. This week, Florida handlers imported 26 loads of milk. This compares to 4 loads last week and 16 a year ago. Handlers in other Southeastern states purchased 54 loads compared to 89 last week and 28 last year. Milk production is near its annual low point in the Northeast and generally steady elsewhere in the region. Bottled milk sales are reported as steady to improved and some bottlers are looking for quite a bit more milk. Many bottlers are planning ahead for bottling needs for Thanksgiving and should get up to speed next week. Surplus milk volumes are light and many manufacturing plants are operating on abbreviated schedules. The demand for condensed skim remains good, but most suppliers are having difficulty meeting all orders. Many are barely able to fill contracts and not entertaining spot inquiries. Prices are mostly unchanged despite projected November Class III milk prices being well below current levels. The fluid cream market is very firm. Supplies are tight and most suppliers are unable to find enough cream to fill all needs. Butter makers are very competitive pricewise as they try to find cream to make butter. Multiples are up moderately at the lower end of the range. This fact, coupled with a nearly five-and-a-half-plus cent jump in the butter average at the CME, has cream prices up from last week. Egg nog production has started, but sales are not that robust during the Thanksgiving holiday. Ice cream output is steady to lighter now that cream prices are moving sharply higher. Cream cheese production is steady to lighter with some producers only taking contracted volumes. Churning is light to moderate.

EDITOR'S NOTE: The 51.25-cent increase in the CME cash butter price during Wednesday's trading occurred after the above report was issued. The price jump will have a big impact on late-week fluid cream prices and demand which was not incorporated in the above report.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, $ PER LB BUTTERFAT		
F.O.B. PRODUCING PLANTS: NORTHEAST	-	1.6036-1.7232
DELIVERED EQUIVALENT ATLANTA	-	1.6036-1.7232 M 1.6155-1.6754
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	1.5318-1.6873
PRICES OF CONDENSED SKIM, $ PER LB WET SOLIDS		
F.O.B. PRODUCING PLANTS:		
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES	-	1.0700-1.1500
NORTHEAST- CLASS III - SPOT PRICES	-	.8900-1.0100

MIDWEST

SPOT SHIPMENTS:	LOADS
NOVEMBER 3 - 9, 2000	24
PREVIOUS WEEK	21
COMPARABLE WEEK IN 1999	18

DESTINATIONS: OHIO 3, TENNESSEE 21

Class I demand is steady to occasionally improved, bolstered in some markets by retail promotional activity. Also, production of holiday items such as egg nog and dips is strong seasonally and absorbing extra volumes. Milk supplies are seasonally tight and some bottler and processor interest is going unsatisfied or not fully satisfied. In addition to the loads reported above, 42 loads of Wisconsin milk are direct shipped to Missouri along with 14 loads to Kentucky and 3 loads to Ohio and pooled under other Federal Orders. Minnesota handlers were shipping at least 50 loads into Missouri and Kansas. Intra-order shipments between states within the upper Midwest and other federal order regions continue to help balance supplies and demand. Michigan fluid is also moving to New York for bottling use. Spot Class I prices were in the $1.50 - 2.20 over class area, with a few reports of asking prices of $4.00 for additional loads. Manufacturing milk demand is spotty but generally good with reported spot prices of $2.50 - 3.00 over class. Some handlers expressed surprise that cheese plant operators were not more willing to divert milk supplies to other uses based on current cheese prices. The sharp increase (51.25 cents) in the butter price at the Chicago Mercantile Exchange cash butter market on November 8 has many buyers concerned about cream prices, especially for next week. The prices reported are for deals made prior to November 8. Price data for activity after the large increase was not available. Cream demand is strong and supplies are tight to short. Plant milk intakes are steady to slightly lower and for many locations in the upper Midwest at, or very near, the annual low point in the milk production cycle. Fat and protein tests continue to edge higher. Unseasonably warm temperatures continued to blanket the region the early part of the week though seasonal weather returned by midweek.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	NOV 2 - 8	PREVIOUS YEAR
SLAUGHTER COWS	$ 35.00- 38.50	$ 34.50- 40.00
REPLACEMENT HEIFER CALVES	$320.00-400.00	$270.00-335.00

SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	NOV 2 - 8	PREVIOUS YEAR
SLAUGHTER COWS	$ 32.00- 44.75	$ 30.00- 42.25

WEST

The California Supreme court ruled on November 6 that California's higher than federal fluid milk standards can remain in place. The ruling denied a bid to market fluid milk in California that met federal standards, but not state standards. Milk production is declining in some areas of Northern California and the Central Valley due to the effects of recent and current weather patterns. Milk output is mostly steady in the southern areas. Feed conditions remain favorable, although hay reports indicate that the recent rains are affecting the latest cutting's quality. Alfalfa prices were steady to slightly higher and moving to dairies. Class 1 sales are noted to be good in the state. Features and prices are favorable to move larger volumes. The upcoming holiday season is commanding more cream-based products to be manufactured. Cream demand is fair to good with multiple running from 118 to 135. However, there will be ramifications from the 51 1/4 cent increase in the butter price at the CME on 11/8. This will most likely lead to higher cream prices and likely effect the mix of products being made. Milk production in Arizona is often lower following wet conditions. Temperatures are declining seasonally. Feed lot conditions are less than desirable and milking herds are being stressed. Reports of milk being down 10% are noted. New Mexico experienced winter weather early in the week. Snowfall in milk producing areas of the cental and eastern parts of the state affected the milking herds. Localized power outages were noted but no effects on dairies or plants were reported. The sloppy conditions are expected to lower milk quality and production temporarily. Milk pickups were slowed by snow packed roads in some areas, but cleared with warmer conditions. Rains and wet conditions have muddied lots in the southern milk producing areas. Milk production in the Pacific Northwest ranges from steady to slightly higher. Weather conditions remain good. Feed supplies are readily available. Hay prices are higher, but dairy quality hay is available at this time, but buyers are wondering about later in the winter. A number of Western states are estimating that they are sold out on a portion of their hay stocks much earlier than normal. The top seems to be coming off the heifer market. Numerous reports are noted of heifers sold at $25-50 lower than a few weeks ago. The reason most often given is the extremely low milk prices. Another factor may be that some of the expanded facilities in Idaho are finally filling up with animals. Contacts believe that when the facilities are full there may be a slow down in demand for heifers that will have a major impact on prices in the region. Milk output continues to slow in the Mountain States region. Weather is now also having some impact. Temperatures into the teens are common and feed lots are wet and muddy. More stress is noted on the milking herd. Snow has fallen a few times in the valleys and is building in mountain areas.

CENTRAL AND WEST DRY MILK PRODUCTS

All reports, except California manufacturing plants, were released 11/09/00 and represent FOB Central and Western production areas. Prices represent CL/TL quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL

Prices are unchanged to higher on a mostly steady market. In addition to milk diversions away from cheese, seasonal milk volume increases are encouraging NDM production. Movement into government programs in conjunction with good commercial interest is keeping supplies generally in balance. Contractual movement is good on exports and into domestic cheese, baking and blending operations. High heat and Grade A demand is strong for the tight supplies. Production of human food, nonfat dry milk during September 2000 totaled 96.8 million pounds, up 1.4% from September 1999 but 7.3% below August 2000. Month ending stocks, at 128.7 million pounds, are 33.2% above a year ago but 15.4% lower than a month ago.

Includes EXTRA GRADE and GRADE A, low and medium heat

NONFAT DRY MILK: 1.0100 - 1.0450 MOSTLY: 1.0150 - 1.0250

DRY BUTTERMILK - CENTRAL

Prices are unchanged and nominal on a steady market. Condensed buttermilk continues to clear readily into ice cream, decreasing available supplies for dry production. Most movement is limited to contractual arrangements with a few spot loads of aged product clearing at the average. Buyers continue to await increases in butter and buttermilk production anticipated during the holidays. Some less than truck load quantities are clearing at premiums. Dry buttermilk production during September 2000 totaled 3.1 million pounds, down 12.4% from September 1999 but 11.2% higher than August 2000. Month ending stocks, at 2.8 million pounds, are 50.5% below last year and 3.6% lower than last month.

BUTTERMILK: .9825 - 1.0300

DRY WHEY - CENTRAL

Prices are higher on a firm market. Supplies are lower due to good export interest and production declines as milk is diverted away from cheese vats. Some producers are short on their contractual commitments and are buying spot loads to satisfy current demand. Spot interest is mixed. Some buyers are purchasing aged product at a premium. Others plan to wait out price increases as the firm market is anticipated to be short-lived, especially with holiday milk on the way. Production of human food, dry whey during September 2000 totaled 81.2 million pounds, 4.2% less than September 1999 and 9.6% below August 2000. Month ending stocks, at 40.9 million pounds, are 11.8% below a year ago and 12.2% lower than August 2000.

NONHYGROSCOPIC: .1875 - .2050 MOSTLY: .1925 - .1950

ANIMAL FEED WHEY - CENTRAL

Prices are unchanged to higher on a steady to firm market. Supplies of milk replacer product are lower, encouraging some plants to offer product above the range. Prices on roller ground are trending higher with the Extra Grade market. Delactose demand is strong due to the higher relative protein price for WPC and the good interest from process cheese facilities. Hog and veal prices are generally trending lower. Production of animal feed, dry whey during September 2000 totaled 7.8 million pounds, 14.8% more than September 1999 but 5.6% below August 2000. Month ending stocks, at 11.7 million pounds, are 30.4% above a year ago but 3.8% lower than August 2000.

MILK REPLACER:	.1500 - .1650
ROLLER GROUND:	.1725 - .1925
DELACTOSE (Min. 20% protein):	.3750 - .4000

LACTOSE - CENTRAL AND WEST

Prices are unchanged to higher on a mostly steady market. Producer stocks are generally held with confidence. Most plants are no longer discounting on spot shipments and generally offering at the average or higher. Some negotiations are occurring for the first quarter with prices also moving at the average to nearly a penny higher. Production is steady to somewhat lower due to decreases in cheese and whey solid production. Domestic and export inquiries are increasing with some plants unable to satisfy the improved interest. Supplies of off grade product are tightening for the light to fair demand. Lactose production during September 2000 totaled 40.9 million pounds, up 5.2% from September 1999 and 3.1% higher than August 2000. Month ending stocks, at 26.2 million pounds, are 53.5% higher than a year ago and 0.9% more than last month. Production totals for selected regions with changes from 1999 include: East North Central, 8.2 million pounds, -13.0%; West North Central, 14.0 million pounds, +5.7%; and West, 18.1 million pounds, +20.5%.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.

EDIBLE: .1550 - .2100 MOSTLY: .1600 - .1700

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are unchanged to higher on a generally steady market. Demand is fair with some increased interest from the feed sector. Supplies are mostly in balance with some plants running long and others short of required needs. Contractual movement is steady into export and domestic markets. Negotiations for 2001 are underway with no known certainty of price. The undertone is that the market will not firm with the increase in milk and cheese supplies anticipated over the holidays. However, the availability of condensed whey and WPC are generally tight at present. Demand on high protein product continues strong. Production of human food WPC during September 2000 totaled 27.4 million pounds, up 4.0% from September 1999 but 6.8% lower than August 2000. Manufacturers' end-of-month stocks totaled 19.2 million pounds, 19.8% higher than a year ago and 9.9% above last month. Production totals for selected states with changes from 1999 include: California, 8.6 million pounds, +6.4%; Minnesota, 4.4 million pounds, +2.9%; and Wisconsin, 3.6 million pounds, -1.3%.

EXTRA GRADE 34% PROTEIN: .7225 - .7625 MOSTLY: .7275 - .7375

NONFAT DRY MILK - WEST

Low/medium heat prices narrowed in a tighter range this week. Confirmed reports of prices lower that $1.00 have ceased for spot sales. Contract sales are moving loads into normal channels. Heavy offerings of NDM continue to move to the CCC to clear product and keep inventories balanced. Production could be increased due to higher butter prices and continued weak cheese prices. High heat prices are unchanged. The market tone is steady. Supplies and demand are in good balance. Seasonal interest is higher. For the week of October 30 - November 3, net CCC purchases totaled 6.6 million pounds of nonfortified NDM and 2.1 million pounds of fortified NDM from the West. U.S. NDM production in September totaled 96.8 million pounds, up 1.4% from last year but 7.3% less than August. Unadjusted, cummulative U.S. NDM production through September is 9.4% higher than the same period in 1999. September production in California totaled 52.0 million pounds, up 4.3% from last year, and Washington output totaled 13.7 million pounds, down 11.7% from a year ago. Stocks at the end of September were reported at 128.7 million pounds, up 33.2% from last year but 15.4% lower than last month.

Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT:	1.0000 - 1.0200	MOSTLY: 1.0000 - 1.0150
HIGH HEAT:	1.0300 - 1.0750	

DRY BUTTERMILK - WEST

Very few changes are noted for the Western dry buttermilk market. Pricing levels and the market tone are steady to firm. There remains limited spot offerings from both plants and resellers. Some buyers are having problems even finding LTL quantities. The expectations of increases in butter production leading to better availability of dry buttermilk are not occurring. Sales of condensed buttermilk are said to be good yet. Producers' stocks are limited. U.S. dry buttermilk production in September totaled 3.1 million pounds, down 12.4% from last year but 11.2% higher than August. Stocks at the end of September were reported at 2.8 million pounds, down 50.5% from a year earlier and 3.6% below August.

BUTTERMILK: .9500 - .9900 MOSTLY: .9500 - .9700

DRY WHEY - WEST

Both the range and mostly prices indicated some additional strength in the market this week. Inventories are much more closely balanced and held with much more confidence. Demand, especially from other regions of the country, has improved greatly over the last few weeks. Contacts are wondering if this is only a short run phenomenon or whether it will last for the winter season. U.S. dry whey human grade production for September was 81.2 million pounds, down 4.2% from last year. Stocks at the end of the month were 40.9 million pounds, down 11.8% from last year. September production in the Western region was down 12.2% from 1999.

NONHYGROSCOPIC: .1725 - .2000 MOSTLY: .1825 - .1900

CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	POUNDS
November 3	$1.0118	11,665,456
October 27	$1.0105	12,116,217

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

NORTHEAST, SOUTHEAST, AND NATIONAL MILK PRODUCTS

All reports represent carlot/trucklot quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound, unless otherwise specified. Delivered Southeast is delivered equivalent Atlanta.

NONFAT DRY MILK - NORTHEAST AND SOUTHEAST

Prices are generally unchanged and remain nominal. Few spot sales are being reported by producers and buyers. Production levels are very light. Milk output and surplus milk volumes are near the low-point in the annual cycle. The good demand for Class I milk further tightens milk available to manufacturing plants. Also, the call for condensed skim remains very good. Most Eastern producers have little or no NDM on hand. This is unusual, but most plants did not carry as much of an inventory into the fall as they have in years past. Demand for NDM is just fair and Eastern buyers are having to reach to Western or, less often, Midwestern producers for powder. Production of human food, nonfat dry milk during September 2000 totaled 96.8 million pounds, up 1.4% from September 1999 but 7.3% below August 2000. Month ending stocks, at 128.7 million pounds, are 33.2% above a year ago but 15.4% less than a month ago.

Includes EXTRA GRADE AND GRADE A

F.O.B. NORTHEAST:	
LOW/MEDIUM HEAT:	1.0500 - 1.0800 MOSTLY: 1.0600 - 1.0650
HIGH HEAT:	1.1000 - 1.1150 MOSTLY: 1.1100 - 1.1150
DELVD SOUTHEAST:	
ALL HEATS:	1.0400 - 1.1350

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices are unchanged and nominal. Production levels ae very light and few Eastern producers have any powder to offer on the spot market. Most are barely making enough to meet commitments. Demand is steady. Dry buttermilk production during September 2000 totaled 3.1 million pounds, down 12.4% from September 1999 but 11.2% more than August 2000. Month ending stocks, at 2.8 million pounds, are 50.5% less than last September and 3.6% less than a month ago.

F.O.B. NORTHEAST:	.9700 - .9800
DELVD SOUTHEAST:	.9700 - 1.0000

DRY WHOLE MILK - NATIONAL

Prices for dry whole milk are unchanged to higher despite slightly lower milk prices. The tight milk supply and increasing butter/milkfat prices had more of an impact on pricing than milk prices did. Demand is about steady and producer stocks remain closely balanced. Production levels are light as milk supplies tighten in the Eastern portion of the country. Dry whole milk production during September 2000 totaled 6.6 million pounds, down 22.5% from September 1999 and 18.0% below August 2000. Month ending stocks, at 6.4 million pounds, are 6.3% above a year ago but 16.1% less than last month.

F.O.B. PRODUCING PLANT:	1.2275 - 1.3200

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 2000 THROUGH NOVEMBER 3, 2000
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK	--	12,750	MT (28,108,650 LBS)
CHEESE	--	3,030	MT (6,679,938 LBS)

This program-year's allocation is filled.

Allocations for the DEIP year beginning July 1, 2000: Nonfat dry milk - 68,201 MT; Cheese - 3,030 MT; Butterfat - 21,097 MT.

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices are fractionally higher and the market tone is firm. Production in the East is lighter as most cheese plants are reducing operating schedules due to the tight supply of surplus milk. Several plants are down to operating only 3-5 days a week. This has tightened the availability of both condensed and dry whey. Demand is good. Most suppliers/producers are getting more calls/inquires from buyers that they only hear from when stocks are unavailable from their normal sources. Needless to say, these inquiries are usually unsatisfied. Most Eastern producers have no dry whey for the spot market. Most producers are barely able to meet contract shipping schedules. Availability in the Midwest is also tight. Buyers report that they cannot find whey at plants that were selling just a week or two ago. Production of human food, dry whey during September 2000 totaled 81.2 million pounds, 4.2% less than September 1999 and 9.6% below August 2000. Month ending stocks, at 40.9 million pounds, are 11.8% below last year and 12.2% less than a month ago. Production of animal feed, dry whey during September totaled 7.8 million pounds, 14.8% more than a year ago but 5.6% less than July 2000.

F.O.B. NORTHEAST:	EXTRA GRADE	.1925 - .2050
	USPH GRADE A	.1975 - .2050
DELVD SOUTHEAST:		.2200 - .2400

EVAPORATED MILK - NATIONAL

Prices and the market tone are unchanged. Production is about steady. With fluid milk supplies so tight in the Eastern portion of the country, plants are not always able to get all the milk they would like. Demand has been fair to good as retailers are starting to feature evaporated milk for Thanksgiving. Canned evaporated milk production during September 2000 totaled 35.8 million pounds, 1.6% less than September 1999 and 1.1% less than August 2000. Month ending stocks, at 60.7 million pounds, are 5.2% more than a year ago but 7.1% below last month. The Kansas City Commodity office announced the issuance of EVD-1, invitation 650 inviting competitive offers to sell to CCC 5,104,080 pounds of evaporated milk for delivery January-March 2001.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES $20.00 - 33.00
Excluding promotional and other sales allowances. Included new price announcements.

CASEIN - NATIONAL

Casein markets and prices remain firm. Production in Europe is winding down seasonally. Adverse weather conditions in Northern Europe late in the season have lowered previous production projections. Stocks are in close balance to often short of desired levels. In Australia, casein output is seasonally active. Stocks are sufficient to meet ongoing commitments. The recent 12 cent per pound subsidy reduction in Europe has yet to be reflected in domestic pricing, but is expected to appear with higher first quarter prices.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET:	2.2500 - 2.4000
ACID:	2.3000 - 2.4500

CHICAGO MERCANTILE EXCHANGE AND NEW YORK BOARD OF TRADE FUTURES

Selected settling prices, (open interest), and volume 1/

Month	10/25	10/26	10/27	10/30	10/31	11/01	11/02	11/03	11/06	11/07
CME - (CLASS III) MILK FUTURES -- Dollars per cwt.										
OCT 00	10.05 (1743) 1	10.05 (1744) 2	10.04 (1737) 7	10.00 (1737) 20	10.00 (1737) 0	10.00 (1744) 9	10.00 (1744) 0	10.02		
NOV 00	9.10 (1224) 19	8.92 (1208) 35	8.87 (1208) 24	8.90 (1246) 46	8.90 (1246) 6	8.90 (1263) 39	8.75 (1274) 15	8.50 (1268) 44	8.69 (1263) 0	8.69 (1263) 0
DEC 00	9.43 (1093) 21	9.40 (1092) 47	9.33 (1088) 23	9.29 (1074) 24	9.25 (1113) 85	9.25 (1188) 99	9.08 (1210) 89	8.93 (1157) 88	9.05 (1158) 2	9.07 (1158) 2
JAN 01	9.81 (620) 8	9.77 (621) 19	9.77 (663) 68	9.77 (689) 26	9.75 (701) 17	9.75 (718) 24	9.66 (728) 19	9.45 (729) 3	9.51 (729) 2	9.58 (730) 2
FEB 01	9.85 (638) 6	9.76 (638) 17	9.80 (658) 28	9.78 (666) 8	9.78 (667) 3	9.79 (671) 5	9.73 (679) 9	9.60 (703) 29	9.55 (708) 5	9.57 (711) 3
MAR 01	9.90 (525) 2	9.80 (534) 12	9.77 (535) 1	9.81 (540) 5	9.80 (540) 0	9.80 (543) 8	9.75 (549) 6	9.65 (556) 8	9.72 (562) 10	9.68 (562) 1
APR 01	9.85 (439) 4	9.85 (440) 3	9.83 (440) 0	9.85 (440) 0	9.85 (440) 5	9.84 (449) 35	9.80 (451) 32	9.80 (465) 17	9.85 (470) 6	9.83 (475) 5
MAY 01	9.90 (548) 4	9.90 (547) 4	9.90 (547) 2	9.90 (547) 0	9.90 (551) 6	9.91 (558) 10	9.90 (564) 24	9.90 (577) 20	9.93 (579) 3	9.92 (579) 1
JUN 01	10.28 (285) 0	10.28 (285) 2	10.28 (287) 2	10.29 (290) 5	10.32 (288) 4	10.33 (290) 9	10.34 (290) 9	10.30 (306) 28	10.28 (309) 7	10.28 (310) 2
CME - CLASS IV MILK FUTURES - Dollars per cwt.										
OCT 00	11.78 (320) 0	11.78 (320) 1	11.79 (320) 0	11.79 (320) 0	11.79 (320) 0	11.79 (320) 0	11.79 (320) 0	11.81		
NOV 00	11.60 (322) 37	11.65 (312) 27	11.65 (312) 0	11.65 (322) 10	11.69 (319) 4	11.75 (320) 3	11.76 (320) 0	11.79 (320) 0	11.79 (320) 0	11.79 (310) 51
DEC 00	11.24 (283) 20	11.24 (293) 10	11.24 (303) 10	11.24 (303) 0	11.24 (306) 3	11.55 (306) 0	11.55 (308) 4	11.56 (308) 0	11.56 (308) 0	11.56 (317) 36
JAN 01	10.81 (93) 1	10.81 (93) 1	10.81 (93) 0	10.81 (93) 0	10.81 (93) 0	10.81 (93) 0	10.81 (93) 0	10.85 (93) 1	10.85 (93) 0	10.85 (92) 11
FEB 01	10.83 (90) 1	10.88 (91) 1	10.88 (91) 0	10.88 (91) 0	10.88 (91) 0	10.88 (92) 1	10.93 (92) 0	10.93 (93) 1	10.90 (93) 1	10.90 (94) 5
MAR 01	11.05 (73) 0	11.00 (73) 0	10.98 (73) 0	10.98 (73) 0	10.98 (73) 2	11.00 (75) 3	11.07 (76) 1	11.10 (76) 0	11.10 (89) 13	11.15 (90) 1
APR 01	10.94 (68) 2	11.00 (68) 0	11.00 (68) 0	11.00 (68) 0	11.00 (68) 0	11.00 (71) 3	11.10 (72) 1	11.15 (72) 0	11.15 (73) 1	11.18 (75) 2
MAY 01	11.10 (127) 1	11.15 (129) 2	11.15 (129) 0	11.15 (129) 0	11.15 (129) 0	11.15 (129) 0	11.15 (129) 0	11.15 (129) 0	11.15 (129) 0	11.15 (131) 3
JUN 01	11.40 (91) 0	11.40 (91) 0	11.40 (91) 0	11.40 (91) 0	11.40 (91) 0	11.40 (91) 0	11.40 (92) 2	11.40 (92) 0	11.40 (92) 0	11.40 (93) 1
JUL 01	11.67 (106) 0	11.67 (106) 0	11.67 (106) 0	11.67 (106) 0	11.67 (106) 0	11.67 (106) 0	11.67 (107) 1	11.70 (107) 0	11.70 (108) 1	11.70 (108) 0
CME - BUTTER FUTURES -- Cents per pound										
MAR 01	102.00 (27) 2	102.00 (27) 0	102.00 (27) 0	102.00 (27) 0	102.00 (27) 0	102.00 (27) 0	102.02 (27) 0	102.02 (27) 0	103.00 (30) 3	103.00 (34) 4
MAY 01	105.00 (4) 0	105.00 (4) 0	105.00 (4) 0	105.00 (4) 0	105.00 (4) 0	105.00 (4) 0	105.00 (4) 0	105.00 (5) 1	108.00 (5) 0	108.00 (5) 0
JUL 01	109.00 (6) 0	109.00 (6) 0	109.00 (6) 0	109.00 (6) 0	109.00 (6) 0	109.00 (6) 0	110.00 (6) 0	110.00 (8) 2	113.00 (8) 0	113.00 (8) 0
NYBOT - MILK INDEX -- Dollars per cwt.										
OCT 00	10.10 (48) 0	10.10 (48) 0	10.00 (48) 0	10.00 (48) 0	10.00 (48) 0	10.00 (48) 0	10.00 (48) 0			
NOV 00	9.20 (33) 0	9.15 (33) 0	8.90 (33) 0	8.90 (33) 0	8.90 (33) 0	8.90 (33) 0	8.80 (33) 0	8.75 (33) 0	8.75 (33) 0	8.70 (33) 0
DEC 00	9.45 (17) 0	9.45 (17) 0	9.30 (17) 0	9.25 (17) 0	9.25 (17) 0	9.25 (17) 0	9.15 (17) 0	9.10 (17) 0	9.10 (17) 0	9.10 (17) 0
JAN 01	9.80 (3) 0	9.80 (3) 0	9.80 (3) 0	9.75 (3) 0	9.75 (3) 0	9.75 (3) 0	9.65 (3) 0	9.65 (3) 0	9.65 (3) 0	9.60 (3) 0

1/ At the CME open interest for milk -- 200,000 pounds per contract. At the NYBOT open interest for milk -- 100,000 pounds per contract.

For more detailed information, you may call our automated voice system at 608-224-5088.

INTERNATIONAL DAIRY MARKET NEWS

Information gathered October 30 - Novemebr 10, 2000

Prices are U.S. Dollars per MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

WESTERN AND EASTERN EUROPE

OVERVIEW: WESTERN EUROPE: Milk production continues to hold basically steady at seasonally low levels, although some milk handlers are reporting slightly higher milk receipts. Overall milk volumes are light, thus manufacturers are when able, directing milk toward products of most need. At this time, most all products are in light supply, but cheese demand seems to be the most active. Cheese demand has been and continues to be strong for both domestic and nearby international markets. Russia continues to be an active buyer of cheese with butter purchases during the upcoming months still questionable. Many butter producers and handlers are not anticipating much buyer interest from Russia during the upcoming winter season. Skim milk powder markets remain active, especially from animal feed buyers. Due to limited supplies and firm prices, many buyers are looking toward whey as an alternative. This animal feed demand is tightening already limited whey stocks and reports are indicating that some prices are firming as much as 20%. Some international buyers continue to negotiate with European producers for stocks during the upcoming milk production season. Some producers are acknowledging this buyer interest while others are not committing at this time.

BUTTER/BUTTEROIL: Butter and butteroil markets are steady at basically unchanged prices. Demand for butter is seasonally steady. For the most part, stocks are sufficient to meet an internal market demand. International buyer interest is slow at this time. European producers feel that Russian butter demand during the upcoming winter months will not be developing to levels of past years. Russia is buying cheese, but not butter.

82% BUTTERFAT:	1,450 - 1,560
99% BUTTERFAT:	1,450 - 1,650

SKIM MILK POWDER (SMP): Skim milk powder markets remain firm at unchanged prices. Prices are nominal due to limited sales. Buyer interest is strong, especially from animal feed buyers. Due to the lack of available skim powder stocks, calf feed buyers are having to look to alternative markets. Some skim powder producers are reporting that some buyers are already questioning availability of next seasons' production. In instances, some producers are acknowledging this buyer interest while other interest is going unfilled.

1.25% BUTTERFAT:	2,100 - 2,350

WHOLE MILK POWDER (WMP): Whole milk powder markets remain firm at unchanged prices. For the most part, there is no buyer interest at this time, knowing the supply situation. Some buyers are already looking into next year and are trying to get producers to commit their production, or a portion, for their 2001 needs. Reports indicate that some buyers are successful while many are not.

26% BUTTERFAT:	1,900 - 2,150

SWEET WHEY POWDER: Whey powder markets are firm with prices generally higher. Limited skim milk powder stocks are causing calf feed buyers to look to alternatives, thus whey is their choice. Although cheese production remains seasonally active, whey stocks are quite limited. Due to this increased demand, reports indicate that prices for available whey powder are as much as 20% higher.

NONHYGROSCOPIC:	550 - 625

OVERVIEW: EASTERN EUROPE: Milk production in Eastern Europe is holding steady at seasonally low levels. Stocks of manufactured dairy products are limited as they have been all year. Inventories that are available are being absorbed into internal markets. Many producers and handlers feel that the outlook for dairying in Eastern Europe will probably continue the trend of this past season. Milk production will probably not attain the levels of this past season and availability of manufactured dairy products will continue to lag desired levels.

OCEANIA

OVERVIEW: For the most part, milk production in both Australia and New Zealand is at or very near peak levels. Milk handlers are stating that milk volumes are heavy, although dairy product stocks are not excessive. In Australia, milk handlers are indicating that possibly the declining period of milk production might not be as sharp as past years, thus overall milk output will remain positive longer. In New Zealand, total milk output continues to run heavier than last season, although not as strong as during the past two years. Stocks of manufactured dairy products in the Oceania region are reported to be in close balance, but sufficient to fill regular customer needs. In many instances, producers and handlers are indicating that most of their production and projected output has been committed. Producers and handlers are not indicating at this time if additional volumes will become available later in the production season above committed volumes. International sales out of the Oceania region are fairly active, although no significant new buyer interest is being acknowledged at this time. Most sales are to regular and ongoing customers. New buyer interest is being limited to stock availability versus lack of demand. Many international buyers were anticipating that the Oceania region would be able to fill their supply needs due to lighter availability out of Europe this past year.

BUTTER: Oceania butter markets are generally steady, although prices are steady to slightly lower. Milk production in the Oceania region has been positive thus far this season, although peak level might not be as strong as previously anticipated. In light of lighter milk volumes, many Oceania producers are closely monitoring their inventory situation. In most instances, stocks are fully committed to previous sales and many producers are not over committing future production at this time.

82% BUTTERFAT:	1,325 - 1,400

CHEDDAR CHEESE: Cheese markets are steady at unchanged prices. Cheese production is seasonally active as milk volumes are reported to be at or very near peak levels. Overall cheese demand is steady and stocks are sufficient to maintain timely delivery schedules. Current buying interest continues to center around regular and ongoing customers.

39% MAXIMUM MOISTURE:	1,900 - 1,950

SKIM MILK POWDER (SMP): Oceania skim milk powder markets remain firm, although a slightly lower price was reported. Most producers and handlers do not foresee a weakening tone to the market at this time. For the most part, stocks are in close balance and fully committed. Additional stocks, though minimal, are quickly absorbed by an active spot market. Many buyers are trying to arrange and finalize deliveries prior to the upcoming Ramadan holiday which will begin by the end of the month.

1.25% BUTTERFAT:	2,150 - 2,250

WHOLE MILK POWDER (WMP): Whole milk powder markets are steady at unchanged prices. In many instances, whole milk powder demand is more active than skim powder at this time, although Oceania stocks remain limited. Stocks are reported to be basically fully committed. Oceania's milk production is at or very near peak levels, thus milk volumes are being directed toward products of most need. Deliveries continue to occur to regular and ongoing customers on a timely basis.

26% BUTTERFAT:	1,950 - 2,050

Exchange rates for selected foreign currencies: NOVEMBER 6, 2000

.3910 Dutch Guilder	.4405 German Mark
.1313 French Franc	.3975 New Zealand Dollar
.1035 Mexican Peso	.5266 Australian Dollar
1.4271 British Pound	.0093 Japanese Yen
.2205 Polish Zloty	.8616 Euro

To compare the value of 1 US Dollar to Mexican Pesos: (1/.1035= 9.6618 That is 1 US Dollar equals 9.6618 Mexican Pesos.
Source: "Wall Street Journal"

SEPTEMBER 2000 DAIRY PRODUCTS HIGHLIGHTS

BUTTER production was 91.5 million pounds in September, 0.6 percent below September 1999 but 7.0 percent above August 2000. **AMERICAN TYPE CHEESE** production totaled 288.1 million pounds, 2.5 percent above September 1999 but 4.5 percent below August 2000. **TOTAL CHEESE** output (excluding cottage cheese) was 656.9 million pounds, 2.4 percent above September 1999 but 4.3 percent below August 2000. **NONFAT DRY MILK** production, for human food, totaled 96.8 million pounds, 1.4 percent above September 1999 but 7.3 percent below August 2000. **DRY WHEY** production, for human food, was 81.2 million pounds, 4.2 percent below September 1999 and 9.6 percent below August 2000. **ICE CREAM** (hard) production totaled 68.2 million gallons, 5.7 percent below September 1999 and 13.8 percent below August 2000.

PRODUCTION OF DAIRY PRODUCTS

PRODUCT	SEP 2000 1,000 LBS.	PERCENT CHANGE FROM: SEP 1999	AUG 2000	YEAR TO DATE 1/
BUTTER	91,532	-0.6	7.0	3.1
CHEESE				
AMERICAN TYPES 2/	288,111	2.5	-4.5	4.4
CHEDDAR	225,578	2.5	-4.1	3.8
SWISS	17,520	-1.4	-5.7	---
BRICK & MUENSTER	7,610	5.5	-3.2	---
CREAM & NEUFCHATEL	55,881	-4.4	-12.1	---
HISPANIC	8,266	4.2	-3.0	?
MOZZARELLA	210,463	2.8	-2.9	6.4
OTHER ITALIAN TYPES	50,236	3.7	-2.1	11.0
TOTAL ITALIAN TYPES	260,699	3.0	-2.7	7.3
ALL OTHER TYPES	18,846	20.5	2.7	---
TOTAL	656,933	2.4	-4.3	5.7
COTTAGE CHEESE, CURD 3/	39,682	-0.8	-1.1	---
COTTAGE CHEESE, CREAM 4/	31,669	0.3	-2.0	-0.8
COTTAGE CHEESE, LOWFAT 5/	31,357	-1.3	-0.3	-0.9
CANNED EVAPORATED & CONDENSED				
WHOLE MILK	35,757	-1.6	-1.1	---
DRY WHOLE MILK	6,587	-22.5	-18.0	---
NONFAT DRY MILK, HUMAN FOOD	96,844	1.4	-7.3	9.4
DRY SKIM MILK, ANIMAL FEED	377	-3.8	-37.8	---
DRY BUTTERMILK	3,089	-12.4	11.2	

PRODUCT	SEP 2000 1,000 LBS.	PERCENT CHANGE FROM: SEP 1999	AUG 2000	YEAR TO DATE 1/
YOGURT (PLAIN AND FLAVORED)	169,440	6.9	8.8	---
CONDENSED WHEY, SOLIDS CONTENT 6/				
SWEET-TYPE, HUMAN FOOD	7,152	-16.4	-13.4	---
SWEET-TYPE, ANIMAL FEED	1,022	-27.3	-12.5	---
DRY WHEY PRODUCTS				
DRY WHEY, HUMAN FOOD	81,170	-4.2	-9.6	---
DRY WHEY, ANIMAL FEED	7,847	14.8	-5.6	---
REDUCED LACTOSE AND MINERALS				
HUMAN FOOD	3,772	-38.0	-15.7	---
ANIMAL FEED	2,996	2.4	-4.0	
LACTOSE, HUMAN FOOD & ANIMAL FEED	40,859	5.2	3.1	---
WHEY PROTEIN CONCENTRATE				
HUMAN FOOD	27,406	4.0	-6.8	---
ANIMAL FEED	3,784	-0.4	-3.1	---
FROZEN PRODUCTS	1,000 GALLONS	PERCENT CHANGE FROM:		
ICE CREAM (HARD)	68,166	-5.7	-13.8	-0.1
ICE CREAM, LOWFAT (HARD)	7,841	-3.2	-3.8	---
ICE CREAM, LOWFAT (SOFT)	23,541	-5.3	-23.4	---
ICE CREAM, LOWFAT (TOTAL)	31,382	-4.8	-19.3	-2.5
SHERBET (HARD)	3,865	-9.5	-25.0	-2.5
YOGURT (TOTAL)	7,628	-0.9	-8.9	-8.4

MANUFACTURERS' STOCKS, END OF MONTH 7/

PRODUCT	SEP 2000 1,000 LBS.	PERCENT OF: SEP 1999	AUG 2000
DRY WHEY PRODUCTS			
DRY WHEY, HUMAN FOOD	40,935	-11.8	-12.2
DRY WHEY, ANIMAL FEED	11,694	30.4	-3.8
REDUCED LACTOSE & MINERALS—HUMAN & ANIMAL 8/	8,264	-35.0	-22.8
LACTOSE, HUMAN FOOD & ANIMAL FEED	26,197	53.5	0.9
DRY BUTTERMILK, TOTAL	2,772	-50.5	-3.6

PRODUCT	SEP 2000 1,000 LBS.	PERCENT OF: SEP 1999	AUG 2000
WHEY PROTEIN CONCENTRATE			
HUMAN FOOD	19,187	19.8	9.9
ANIMAL FEED	1,977	86.7	32.4
CANNED EVAPORATED & CONDENSED WHOLE MILK	60,695	5.2	-7.1
DRY WHOLE MILK	6,429	6.3	-16.1
NONFAT DRY MILK FOR HUMAN FOOD	128,712	33.2	-15.4
DRY SKIM MILK FOR ANIMAL FEED	919	-24.0	-18.1

1/ 2000 cumulative as percent change of 1999 cumulative. 2/ Whole milk cheese, including Cheddar, colby, monterey and jack. 3/ Mostly used for processing into creamed or lowfat cottage cheese. 4/ Fat content 4 percent or more. 5/ Fat content less than 4 percent. 6/ Final marketable product only. Does not include quantity used or shipped to another plant for further processing into dry whey or modified whey products. 7/ Stocks held by manufacturers at all points and in transit. 8/ Reduced lactose and minerals stocks combined to avoid disclosure of individual operations.

SOURCE: "Dairy Products," Da 2-6 (11-00), Agricultural Statistics Board, National Agricultural Statistics Service, USDA.

ANNOUNCED COOPERATIVE CLASS I PRICES IN SELECTED CITIES, NOVEMBER 2000, WITH COMPARISONS 1/

CITY	NOV 1998			NOV 1999			OCT 2000			NOV 2000		
	Coop.	Federal Order	Differ-ence	Coop.	Federal Order	Differ-ence	Coop.	Federal Order	Differ-ence	Coop.	Federal Order	Differ-ence
	Dollars Per Hundredweight											
Atlanta, GA	19.33	18.18	1.15	19.89	19.34	0.55	16.32	14.99	1.33	16.25	14.92	1.33
Baltimore, MD	18.88	18.13	0.75	20.04	19.29	0.75	16.24	14.89	1.35	16.37	14.82	1.55
Boston, MA **	18.82	18.34	0.48	19.98	19.50	0.48	15.62	15.14	0.48	15.55	15.07	0.48
Carbondale, IL	18.47	17.11	1.36	19.98	18.27	1.71	15.80	14.09	1.71	15.73	14.02	1.71
Charlotte, NC	19.33	18.18	1.15	19.89	19.34	0.55	16.32	14.99	1.33	16.25	14.92	1.33
Chicago, IL	18.43	16.50	1.93	19.55	17.66	1.89	15.54	13.69	1.85	15.44	13.62	1.82
Cincinnati, OH	18.96	17.21	1.75	20.17	18.37	1.80	15.97	14.09	1.88	15.90	14.02	1.88
Cleveland, OH	18.60	17.10	1.50	19.76	18.26	1.50	15.77	13.89	1.88	15.70	13.82	1.88
Dallas, TX	18.51	18.26	0.25	19.42	19.42	0.00	15.69	14.89	0.80	15.62	14.82	0.80
Denver, CO	18.08	17.83	0.25	20.74	18.99	1.75	15.14*	14.44	0.70*	15.07	14.37	0.70
Des Moines, IA	17.50	16.65	0.85	19.21	17.81	1.40	14.73	13.69	1.04	14.68	13.62	1.06
Detroit, MI	17.95	16.95	1.00	19.11	18.11	1.00	14.89	13.69	1.20	14.87	13.62	1.25
Hartford, CT **	18.72	18.24	0.48	19.88	19.40	0.48	15.52	15.04	0.48	15.45	14.97	0.48
Houston, TX	19.05	18.80	0.25	19.96	19.96	0.00	16.29	15.49	0.80	16.22	15.42	0.80
Indianapolis, IN	18.55	17.00	1.55	19.61	18.16	1.45	15.77	13.89	1.88	15.70	13.82	1.88
Kansas City, MO	17.77	17.02	0.75	19.08	18.18	0.90	15.08	13.89	1.19	15.03	13.82	1.21
Louisville, KY	18.67	17.87	0.80	19.07	18.37	0.70	15.24	14.09	1.15	15.17	14.02	1.15
Memphis, TN	18.31	17.21	1.10	19.38	19.03	0.35	15.62	14.69	0.93	15.55	14.62	0.93
Miami, FL	21.99	19.28	2.71	22.46	20.44	2.02	18.83	16.19	2.64	18.76	16.12	2.64
Milwaukee, WI	18.34	16.41	1.93	19.46	17.57	1.89	15.49	13.64	1.85	15.39	13.57	1.82
Minneapolis, MN	17.13	16.30	0.83	18.71	17.46	1.25	14.70	13.59	1.11	14.60	13.52	1.08
New Orleans, LA	19.20	18.75	0.45	20.16	19.91	0.25	16.47	15.49	0.98	16.40	15.42	0.98
Oklahoma City, OK	18.62	17.87	0.75	19.83	19.03	0.80	15.54	14.49	1.05	15.47	14.42	1.05
Omaha, NE	17.60	16.85	0.75	19.26	18.01	1.25	14.78	13.74	1.04	14.73	13.67	1.06
Philadelphia, PA	18.91	18.19	0.72	19.97	19.35	0.62	16.41	14.94	1.47	16.54	14.87	1.67
Phoenix, AZ	17.62	17.62	0.00	18.78	18.78	0.00	14.39	14.24	0.15	14.32	14.17	0.15
Pittsburgh, PA	17.60	17.10	0.50	18.66	18.26	0.40	15.79	13.99	1.80	15.92	13.92	2.00
St. Louis, MO	18.47	17.11	1.36	19.98	18.27	1.71	15.60	13.89	1.71	15.53	13.82	1.71
Salt Lake City, UT	17.25	17.00	0.25	18.41	18.16	0.25	14.04	13.79	0.25	13.97	13.72	0.25
Seattle, WA	17.38	17.00	0.38	18.54	18.16	0.38	14.88	13.79	1.09	14.20	13.72	0.48
Spokane, WA	17.38	17.00	0.38	18.54	18.16	0.38	14.88	13.79	1.09	14.20	13.72	0.48
Springfield, MO	18.04	17.29	0.75	19.25	18.45	0.80	15.14	14.09	1.05	15.07	14.02	1.05
Washington, DC	18.88	18.13	0.75	20.04	19.29	0.75	16.24	14.89	1.35	16.37	14.82	1.55
Simple Average	18.43	17.53	0.90	19.60	18.69	0.91	15.60	14.37	1.23	15.52	14.30	1.22

* Revised.

**NOTE: The Northeast Dairy Compact has established a Class I price level of $16.94. The Compact obligation is $16.94 less the Federal order Class I price shown for Boston. The effective Class I price level is the Federal order price at location plus the Compact obligation plus the figure shown under the column labeled "Difference". When the Federal order Class I price shown for Boston is higher than the Compact Class I price, the Compact price is not effective.

1/ Class I prices announced for the beginning of the month by the major cooperative in each city market. These prices may not apply to all of the Class I sales in these city markets. Announced prices may not include handling or service charges applicable to milk from supply plants and competitive credits which may be allowed. These prices have not been verified as having been actually paid by handlers.

FEDERAL MILK ORDER CLASS AND COMPONENT PRICES, OCTOBER

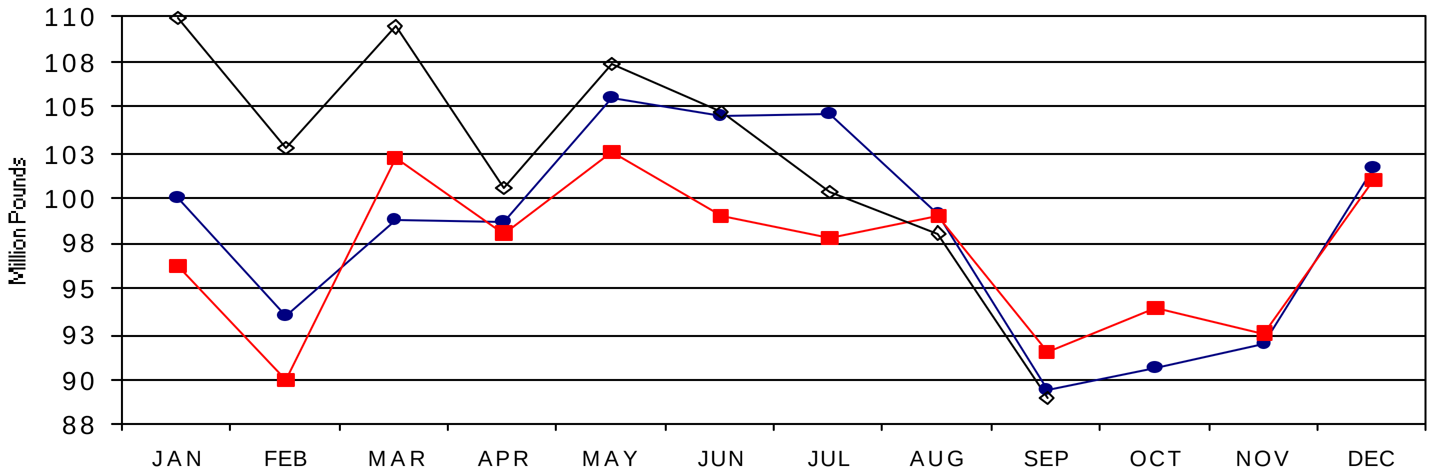
Component Price Information: Under the Federal milk order pricing system, the butterfat price for October 2000 is $1.2444 per pound. Thus, the Class II butterfat price is $1.2514. The protein and other solids prices for October are $1.8028 and $0.0471 per pound, respectively. These component prices set the Class III skim milk price at $5.87 per cwt. The October Class IV skim milk price is $7.73 which is derived from the nonfat solids price of $0.8585 per pound.
Product Price Averages: The product price averages for October are; butter $1.1344, nonfat dry milk $1.0127, cheese $1.1602, and dry whey $0.1826.

FEDERAL MILK ORDER MINIMUM CLASS PRICES FOR MILK OF 3.5 PERCENT BUTTERFAT 1/ 2/

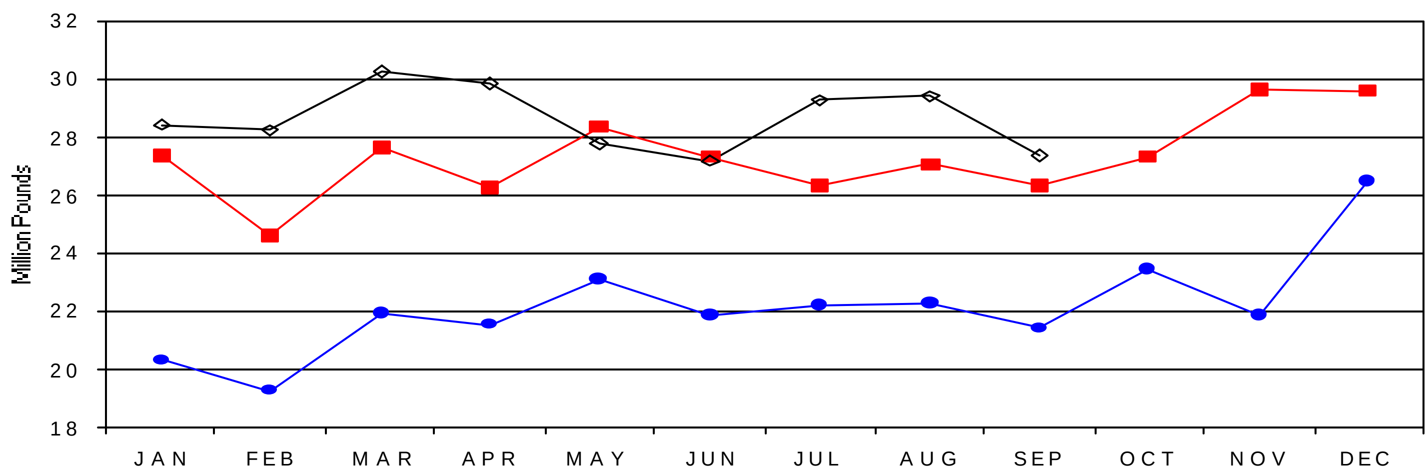
FEDERAL MILK ORDER MARKETING AREAS 3/	ORDER NUMBER	OCTOBER 2000				NOVEMBER 2000
		CLASS I	CLASS II	CLASS III	CLASS IV	CLASS I
		DOLLARS PER 100 POUNDS				
Northeast (Boston) 4/	001	15.14	12.54	10.02	11.81	15.07
Appalachian (Charlotte) 5/	005	14.99	12.54	10.02	11.81	14.92
Southeast (Atlanta) 6/	007	14.99	12.54	10.02	11.81	14.92
Florida (Tampa) 7/	006	15.89	12.54	10.02	11.81	15.82
Mideast (Cleveland) 8/	033	13.89	12.54	10.02	11.81	13.82
Upper Midwest (Chicago) 9/	030	13.69	12.54	10.02	11.81	13.62
Central (Kansas City) 10/	032	13.89	12.54	10.02	11.81	13.82
Southwest (Dallas) 11/	126	14.89	12.54	10.02	11.81	14.82
Arizona-Las Vegas (Phoenix) 12/	131	14.24	12.54	10.02	11.81	14.17
Western (Salt Lake City) 13/	135	13.79	12.54	10.02	11.81	13.72
Pacific Northwest (Seattle) 14/	124	13.79	12.54	10.02	11.81	13.72
All-Market Average	---	14.47	12.54	10.02	11.81	14.40

1/ To convert the Class I price per 100 pounds to the Class I price per gallon, divide 11.63--the approximate number of gallons in 100 pounds of milk.
2/ Note: The mandatory $0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table.
3/ Names in parentheses are principal pricing points of markets.
4/ Class I prices at other points are: New York City, minus $0.10; Philadelphia, minus $0.20; Baltimore, minus $0.25; and Washington, DC, minus $0.25.
5/ Class I prices at other points are: Knoxville, minus $0.30 and Louisville, minus $0.90.
6/ Class I prices at other points are: New Orleans; plus $0.50; Memphis, minus $0.30; Nashville, minus $0.50; and Springfield, Mo., minus $0.90.
7/ Class I prices at other points are: Orlando, same; Miami, plus $0.30; and Jacksonville, minus $0.30.
8/ Class I prices at other points are: Indianapolis, same; Cincinnati, plus $0.20; Pittsburgh, plus $0.10; and Detroit, minus $0.20.
9/ Class I prices at other points are: Milwaukee, minus $0.05; and Minneapolis, minus $0.10.
10/ Class I prices at other points are: Des Moines, minus $0.20; Omaha, minus $0.15; Oklahoma City, plus $0.60; St. Louis, same; and Denver, plus $0.55.
11/ Class I prices at other points are: Houston, plus $0.60; San Antonio, plus $0.45; Albuquerque, minus $0.65; and El Paso, minus $0.75.
12/ Class I price at Las Vegas is minus $0.35.
13/ Class I price at Boise is minus $0.30.
14/ Class I prices at other points are: Portland, same; and Spokane, same.

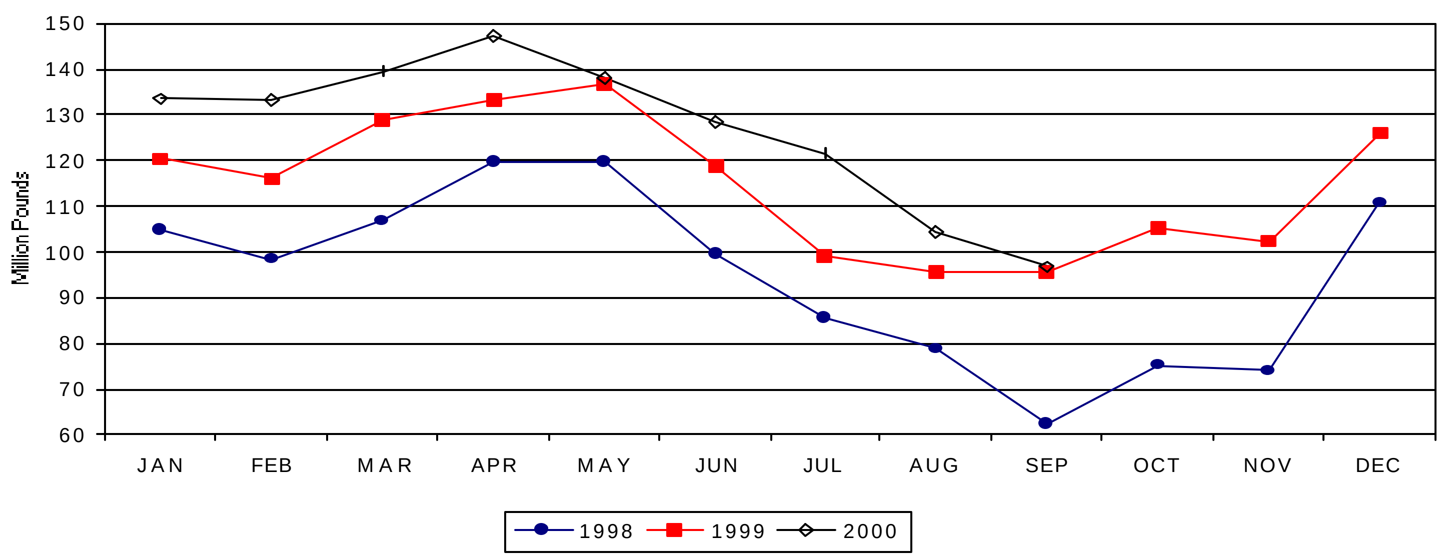
Total Dry Whey Production



Dry WPC Production, Human



Nonfat Dry Milk Production, Human



Graphs by USDA, DMN; Source USDA, NASS

CCC PURCHASES OF DAIRY PRODUCTS

	FOR THE WEEK OF NOVEMBER 6 - 10, 2000			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/00	SAME PERIOD LAST YEAR	PERIOD ENDING 11/03/00	SAME PERIOD LAST YEAR
BUTTER							
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-
CHEESE							
Block	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Barrel	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Process	356,400	-0-	356,400	752,400	-0-	-0-	-0-
TOTAL	356,400	-0-	356,400	752,400	-0-	-0-	-0-
NONFAT DRY MILK							
Nonfortified	9,330,364	920,920	8,409,444	45,647,513	6,842,173	-0-	-0-
Fortified	264,528	-0-	264,528	7,695,603	909,269	-0-	-0-
TOTAL	9,594,892	920,920	8,673,972	53,343,116	7,751,442	-0-	-0-

MILK EQUIVALENT, MILKFAT AND SKIM SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF NOVEMBER 6 - 10, 2000 =	5.2	104.5	COMPARABLE WEEK IN 1999 =	0.3	15.5
CUMULATIVE SINCE OCTOBER 1, 2000 =	18.7	628.4	CUMULATIVE SAME PERIOD LAST YEAR =	1.7	90.2
CUMULATIVE JANUARY 1 - NOVEMBER 10, 2000 =	179.4	5,807.4	COMPARABLE CALENDAR YEAR 1999 =	42.6	2,254.8

* Factors used for Milkfat Solids Basis: Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22
**Factors used for Skim Solids Basis: Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES FOR THE WEEK OF NOVEMBER 6 - 10, 2000 (POUNDS)

	BUTTER			CHEESE			NONFAT DRY MILK	
REGION	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
MIDWEST	-0-	-0-	-0-	-0-	-0-	356,400	343,916	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-	8,065,528	264,528
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/00 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT	
REGION	2000/01	1999/00	2000/01	1999/00	2000/01	1999/00	2000/01	1999/00
MIDWEST	-0-	-0-	752,400	-0-	1,299,802	-0-	38.7	0.0
WEST	-0-	-0-	-0-	-0-	52,043,314	7,751,442	61.3	100.0
EAST	-0-	-0-	-0-	-0-	-0-	-0-	0.0	0.0
TOTAL	-0-	-0-	752,400	-0-	53,343,116	7,751,442	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER JULY 31, 2000

MANUFACTURING MILK: Average Test 3.67% - $9.90 per cwt.; 3.5% - $9.80

DOLLARS PER POUND

BUTTER: Bulk $.6680; 1# Prints $.6980

CHEESE: 40 & 60# Blocks $1.1220; 500# Barrels $1.0920; Process American 5# $1.1745; Process American 2# $1.2145

NONFAT DRY MILK: Nonfortified $1.0100; Fortified $1.0200; Instant $1.1675

Dairy & Total Cow Slaughter under Federal Inspection, by Regions & U.S., for Week Ending 10/21/00 & Comparable Week 1999 1/

Regions*	1	2	3	4	5	6	7	8	9	10	U.S. TOTAL WEEK	U.S. TOTAL SINCE JAN 1	% DAIRY OF ALL WEEK	% DAIRY OF ALL SINCE JAN 1
2000-Dairy cows HD (000)	0.2	0.9	6.6	5.1	20.3	2.4	0.9	0.8	14.5	2.8	54.6	2,132.6	46.9	48.7
1999-Dairy cows HD (000)	0.2	1.0	6.3	5.4	19.4	2.4	3.0	0.8	11.0	2.5	51.9	2,095.1	43.5	46.0
2000-All cows HD (000)	0.2	1.1	9.1	15.4	28.8	18.7	15.4	4.4	15.4	7.7	116.3	4,382.1		
1999-All cows HD (000)	0.2	1.2	8.7	14.6	27.2	20.2	20.4	4.3	14.5	8.0	119.3	4,554.7		

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

BASIC FORMULA PRICE (BFP),(3.5% BF, $/CWT. FOR COMPARISON PURPOSES ONLY)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1998	13.25	13.32	12.81	12.01	10.88	13.10	14.77	14.99	15.10	16.04	16.84	17.34
1999	16.27	10.27	11.62	11.81	11.26	11.42	13.59	15.79	16.26	11.49	9.79	9.63

FEDERAL MILK ORDER CLASS PRICES FOR 2000 (3.5% BF)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Class I 1/	10.90	10.71	10.84	10.93	11.48	11.70	12.46	11.95	11.84	11.89	11.82	
Class II	11.43	11.51	11.71	12.10	12.63	13.08	12.58	12.56	12.58	12.54		
Class III	10.05	9.54	9.54	9.41	9.37	9.46	10.66	10.13	10.76	10.02		
Class IV	10.73	10.80	11.00	11.38	11.91	12.38	11.87	11.87	11.94	11.81		

1/ Specific order differentials to be added to this base price are located at: www.ams.usda.gov/dairy/fmor_announce.htm